

NUSF 99.14

Steve Meradith  
Regional Vice President, State Government Affairs  
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October 4<sup>th</sup>, 2018

Mr. Michael Hybl  
Executive Director  
Nebraska Public Service Commission  
300 The Atrium, 1200 "N" Street  
Lincoln, NE 68508C

**RE: In the Matter of the Nebraska Public Service Commission, on its own Motion to administer the Universal Service Fund High-Cost Program: Windstream Nebraska, Inc. Broadband Grant Requests**

Dear Mr. Hybl:

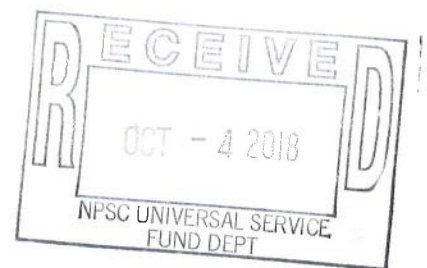
Windstream Nebraska, Inc. is filing six applications for projects that are all going to be deployed in the Ashland exchange. Those projects are Ashland-North, Ashland-Memphis Community, Ashland-Wann Community, Ashland-North CSA 1P, Ashland South CSA 6G and finally Ashland-South CSA 6K. Attached is the application for Ashland-South CSA 6G. We are seeking approval of all of these applications at the same time so we can effectively move into the construction phase. An electronic version of this filing has also been submitted to the NUSF Staff.

If you have any questions or require any additional information, please let me know.

Sincerely,

A handwritten signature in blue ink that reads 'Steve Meradith'.

Steve Meradith  
Regional Vice President – State Government Affairs  
Windstream Communications  
1440 "M" Street  
Lincoln, NE 68508



Enclosures

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – Ashland EXCHANGE – South CSA 6G

**Checklist Item No. 1:**

A description of the proposed broadband project including download/upload speed capabilities which can be provided and a description of the proposed network infrastructure to be deployed. Minimum speed standards should be 4 mbps download and 1 mbps upload.

**Windstream's Response:**

Windstream is filing six applications for projects that are all going to be deployed in the Ashland exchange, those projects are Ashland – North, Ashland – Memphis Community, Ashland – Wann Community, Ashland – North CSA 1P, Ashland – South CSA 6G, Ashland – South CSA 6K. We are seeking approval of all of these applications at the same time, so we can effectively move into the construction phase.

Windstream submits the following project for the Commission's consideration of NUSF-99 broadband funding, to be constructed upon funding approval, using funding available from the 2016 funding allocation.

- Fiber fed DSLAM to serve a portion of the Southern area of the Ashland, NE ILEC Exchange (Partial funding requested)

The area south of the Ashland Exchange is not currently offered broadband service above 4Mbps. This project intends to address these customers by placing a fiber fed DSLAM within an appropriate distance to provide a minimum of 10Mbps up to 100Mbps download speeds.

- The project will place one DSLAM site at a remote location approximately 2.7 miles south of the Central Office, along with fiber cable placed to the nearest available connection on an existing fiber route.
- The remote DSLAM will provide the broadband connection to the customers, and have fiber backhaul to the Central Office location.

Windstream projects the total deployment costs for this project is \$32,000 and Windstream is requesting Nebraska Universal Service Funding of \$22,857, not including ROW, IDC, and Tax. The difference between the total project costs and the requested funding is because Windstream is not seeking funding for the areas funded by the FCC's Connect America Fund Phase 2 program. Windstream is requesting that the funding for this project be applied against the remaining 2016 funds allotted to Windstream.

**Checklist Item No. 2:**

A list in Excel Format of all the census blocks where broadband facilities would be deployed for the proposed project, which shall include 2010 Census Block identification number of service area, by project.

Windstream's Response:

See Attached Checklist Item #2.

**Checklist Item No. 3:**

An estimate of the number of potential new broadband subscribers for each project.

Windstream's Response:

See Attached Checklist Item #3

**Checklist Item No. 4:**

An estimated schedule for broadband deployment.

Windstream Response:

Windstream stands ready to begin project work immediately upon approval of the application, the deployment schedule will be as indicated in the Attached Checklist Item #4.

**Checklist Item No. 5:**

A proposed budget, showing total project costs, in electronic format, with a detailed breakdown of the cost elements and a depreciation schedule showing the life of the investment.

Windstream Response:

Please see Attached Checklist Item #5 which also includes the depreciation schedule showing the life of investment for the major plant categories associated with these projects.

**Checklist Item No. 6:**

Proposed retail pricing, including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. At a minimum the pricing should reflect the stand alone price for the speeds to be offered to the customer.

Windstream Response:

Attached Checklist Item #6 provides a listing of the retail pricing for the broadband services Windstream will be offering in the proposed service areas. This price list is consistent with Windstream pricing for similar services in other Nebraska exchanges.

**Checklist Item No. 7:**

The company's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.

Windstream Response:

If approved for funding, Windstream commits to offer broadband service to all households within the service area of the project for a minimum of five (5) years.

**Checklist Item No. 8:**

An affidavit from the company attesting 1) (a) that the area of the proposed project is a CAF II eligible area and have not refused CAF II funding, or (b) that the area of the proposed project is ineligible for CAF II funding. 2) That the company has done its due diligence to verify that comparable broadband does not already exist in the area of the proposed project. 3) The truth and accuracy of all information included in the project filing.

Windstream Response:

The Affidavit of Brad Brannon is provided in Attached Checklist Item #8.

CHECK LIST #2 CENSUS BLOCKS - Ashland Exchange - South CSA 6G

Criteria for Determining NUSF Eligibility for Census Blocks In Priority Order for Projects Using Fixed Wireless Technology:

- 1) If Census Block is CAF 2 - Not Eligible
- 2) If Census Block has Wireline Competitor with at least 10/1 broadband - Not Eligible
- 3) If Census Block Wireline Competitor is a Neighboring ILEC Sharing Service In the Census Block - Eligible
- 4) If Census Block has a Fixed Wireless Competitor with at least 10/1 Broadband but Does Not Provide Voice - Eligible
- 5) If proposal is for a wireline solution, then Fixed Wireless census blocks are counted - Eligible

Census Blocks	CAF 2 and Form 477 Status	Is Wireline Competitor a Neighboring ILEC?	Is Project Technology Wireline Based	NUSF Eligibility	Summary	# Census Blocks	%
310259658003003	CAF2			CAF2	CAF2	4	28.6%
310259658003014	CAF2			CAF2	NE BB Eligible	10	71.4%
310259658003073	CAF2			CAF2	Competition - FW	0	0.0%
310259658003092	CAF2			CAF2	Competition - Other	0	0.0%
310259658003001	Competition - FW	No Wireline Competitor	Y	NE BB Eligible	Total	14	100.0%
310259658003013	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003015	Competition - FW	No Wireline Competitor	Y	NE BB Eligible	Eligible for Funding	10	71.4%
310259658003069	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003072	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003079	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003081	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003082	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003083	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			
310259658003093	Competition - FW	No Wireline Competitor	Y	NE BB Eligible			

**Check List #3 Subscribers - Ashland Exchange CSA 6G**

Exchange	# Locations in Deployment Area
Ashland	35

Estimated Broadband Take Rate                      50%

New Broadband Subscribers                              18

50% Take Rate assumption is likely low since broadband is generally not available due to long loop lengths

#### **Checklist Item #4 Estimated Schedule – Ashland Exchange CSA 6G**

Proposed Schedule: Total time for project is 120 to 150 days:

	<u>DSLAM Site</u>
Engineering design & approval	30 Calendar Days
Permitting & material acquisition	30 Calendar Days
Equipment deployment, testing, and turn-up	60 to 90 Calendar Days

Schedule is subject to seasonal limitations regarding when construction can commence or be completed.

Check List #5 Budget & Depreciation - Ashland Exchange CSA 6G

**Budget**

**Fiber Build**

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Fiber Bulldout	\$13,650	\$5,850	\$19,500	1	\$5,850	\$19,500	Placement of 4,927ft of fiber cable
Site Work	\$4,000	\$1,000	\$5,000	1	\$1,000	\$5,000	
<b>Total</b>	<b>\$17,650</b>	<b>\$6,850</b>			<b>\$6,850</b>	<b>\$24,500</b>	

**Remote Site**

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Remote Equipment	\$2,500	\$5,000	\$7,500	1	\$5,000	\$7,500	2-TA1148VXP's AC powered
<b>Total</b>	<b>\$2,500</b>	<b>\$5,000</b>			<b>\$5,000</b>	<b>\$7,500</b>	

**Grand Total**                      **\$20,150**    **\$11,850**                      **\$11,850**    **\$32,000**

**Excluded Costs**

ROW	\$0	0				\$0
IDC	\$11,850	5.0%				\$593
Tax	\$11,850	7.0%				\$830

**Total Project Costs**    **\$32,000**

**% of Eligible Census Blocks from Checklist #2**    **71.4%**

**Requested Funding Amount**    **\$22,857**

**Depreciation Lives**

**Life In Years**

Digital Circuit - ADSL	8
Poles	25
Burled Cable - Fiberoptic	25



### Check List #6 Pricing - Ashland Exchange CSA 6G

Price for Internet Only (HSI Simple or Solo Internet)				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$45	\$10 off for 12 months	\$35
50Mb		\$45	\$10 off for 12 months	\$35
100Mb		\$45	\$10 off for 12 months	\$35
1 Gbps		\$75	\$20 off for 12 months	\$55

Price for Internet + Bundle Phone Adder				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$65	\$10 off for 12 months	\$55
50Mb		\$65	\$10 off for 12 months	\$55
100Mb		\$65	\$10 off for 12 months	\$55
1 Gbps		\$95	\$20 off for 12 months	\$75

\$50 Activation Fee and Free Professional Installation

**AFFIDAVIT OF BRAD BRANNON**

I, Brad Brannon, being first duly sworn upon oath, state as follows:

1. I am currently employed by Windstream as the Vice President Consumer & Small Business - Business Intelligence. In that capacity, I am personally familiar with the company's network structure in Nebraska.
2. I have reviewed the foregoing project filing and certify that (a) the areas of the proposed project are CAF II eligible areas and have not refused CAF II funding, or the areas of the proposed project are ineligible for CAF II funding; (b) Windstream has done its due diligence to verify that comparable broadband does not already exist in the areas of the proposed project that we are requesting funding; and (c) all information included in the project filing is true and accurate to the best of my knowledge and belief.

  
\_\_\_\_\_  
Brad Brannon

**ACKNOWLEDGMENT**


STATE OF ARKANSAS )

:SS



COUNTY OF ~~PULASKI~~ Lonoke

Subscribed, sworn to and acknowledged before me on this 1<sup>st</sup> day of October, 2018  
by Brad Brannon

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

09-15-2024